

# DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY  
Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS CRUM TO INTERROGATORY OF  
VAL-PAK DEALERS' ASSOCIATION, INC., VAL-PAK DIRECT MARKETING  
SYSTEMS, INC., AND CAROL WRIGHT PROMOTIONS, INC.  
(VP-CW/USPS-T28-1)

The United States Postal Service hereby provides the response of witness Crum to the following interrogatory of Val-Pak Dealers' Association, Inc., Val-Pak Direct Marketing Systems, Inc., and Carol Wright Promotions, Inc.: VP-CW/USPS-T28-1, filed on September 15, 1997.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



Scott L. Reiter

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September 23, 1997

U. S. Postal Service Witness Charles L. Crum  
Response to Interrogatories of  
ValPak, et. al.

**VP-CW/USPS-T28-1.** Shown below are the total volume variable costs for Third-Class Regular Rate Carrier Route Mail in the Base Year, and projected total volume variable costs for Standard A ECR Test Year Before and After Rates (in thousands).

	Base Year	Test Year BEFORE Rates	Test Year AFTER Rates
<b>Letters</b>			
<b>Non-Letters</b>			
<b>Total</b>	\$1,821,927	\$2,140,863	\$1,894,972
<b>Source</b>	USPS-5A	USPS-15E	USPS-15H

a. For any of the years shown, does the Postal Service have a breakdown of the total CRA costs for Standard A ECR Mail as between letters and non-letters?

b. If so, please provide.

**RESPONSE**

a. We did produce a breakdown of Standard Mail (A) ECR costs, however, the numbers listed are not meant to be a definitive statement of Base Year costs, but are an estimate produced for the purpose of preparing LR-H-108 and showing the cost difference between parcels and flats in Standard Mail (A). Similar data is not available for Test Year Before Rates or Test Year After Rates. Please see my response to PSA/USPS-T28-5(d).

b. Letters = \$742,360, Nonletters = \$1,079,567 (Source: Corrected electronic version of LR-H-108 filed September 18, 1997). Please note that these numbers are not adjusted for the differing levels of dropship or presort. An adjustment could be made using the logic contained in Table 7 of LR-H-108 and the letter vs. nonletter data available in the library reference.

# DECLARATION

I, Charles L. Crum, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Charles L. Crum

Dated: 23 SEPTEMBER 1997

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in black ink, appearing to read "Scott L. Reiter", is written over a horizontal line.

Scott L. Reiter

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